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* ALSO ADMITTED IN VIRGINIA
* ADMITTED IN MARYLAND ONLY

DIRECT DIAL NUMBER

(202) 457-1634

April 6, 1988

HAND-DELIVERED

Ms. Noreta R. McGee
Office of the Secretary
Recordation Office
Interstate Commerce Commission
12th Street and Constitution
Avenue, N.W.
Washington, D.C. 20423

Re: First Amendment to Railcar Mortgage and
Security Agreement; MLL Equipment Investors-I;
Citibank, N.A.; Recordations Nos. 13447-B and
13858-A; Our File No. C-1481

Dear Ms. McGee:

In accordance with the provisions of Section 11303 of the revised Interstate Commerce Act, 49 U.S.C. § 11303, and Part 1177 of Title 49 of the Code of Federal Regulations, we request, as special counsel for Citibank, N.A., that the enclosed document be recorded and filed by the Interstate Commerce Commission in Recordation Nos. 13447-B and 13858-A.

You will find enclosed herewith the original and three (3) copies of the following document to be recorded and filed:

First Amendment, dated as of February 1, 1988 by and between MLL EQUIPMENT INVESTORS-I and CITIBANK, N.A.

RECORDATION NO. 13447-B
APR 6 1988-3 20 PM
INTERSTATE COMMERCE COMMISSION

MARYLAND OFFICE
200 A MONROE STREET
SUITE 225
ROCKVILLE, MARYLAND 20850
(301) 340-0450

VIRGINIA OFFICE
1008 NORTH RANDOLPH STREET
SUITE 104
ARLINGTON, VIRGINIA 22201
(703) 522-1330

Cathy Runde
C. Runde

Ms. Noreta R. McGee
April 6, 1988
Page Two

This First Amendment should be assigned Recordation Nos. 13447-B and 13858-A.

The First Amendment, dated as of February 1, 1988, by and between MLL Equipment Investors-I, as Grantor, and Citibank, N.A., as Lender, is intended, among other things, to evidence the termination of that certain Lease of Railroad Equipment, dated as of September 22, 1981 between North American Car Corporation and the Grantor. That Lease was recorded with the Interstate Commerce Commission and assigned Recordation No. 13447. In addition, this First Amendment is intended to reflect the existence of a Management Agreement entered into by the Grantor with United States Rail Services, Inc., dated August 12, 1985. Finally, this First Amendment is intended to re-affirm the granting by the Grantor of a lien on and security interest in Two Hundred Thirty (230) hopper cars, as more further described in SECTION 1 of the First Amendment.

The parties executing this document are:

MLL Equipment Investors-I
c/o Merrill Lynch Leasing
World Financial Center
250 Besey Street - 25th Floor
New York, New York 10281-1201

Attention: Mr. Russell Mack

Citibank, N.A.
Citicorp
601 Midland Avenue
Rye, New York 10580

Attention: Mr. John S. Savage

You also find enclosed herewith our check made payable to the Interstate Commerce Commission in the amount of Twenty Six Dollars (\$26.00), which sum is intended as full and final payment for the filing fees to be incurred in connection herewith. Would you please stamp, as filed, the enclosed copies and return the enclosed copies, as stamped, to our office at your earliest possible convenience.

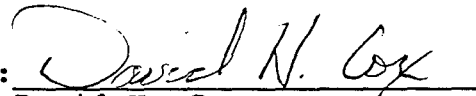
Ms. Noreta R. McGee
April 6, 1988
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Thank you for your continuing assistance in this matter.

Sincerely yours,

JACKSON & CAMPBELL, P.C.

By:


David H. Cox

DHC/ms

Enclosures as Stated

cc: Mr. John S. Savage

ICC Recording Numbers: 13858
Date of Recordation:
December 1, 1982 [Railcars]
Time: 10:40 A.M.

RECORDATION NO. 13447B Filed 1428

FIRST AMENDMENT

(Dated as of February 1, 1988) APR 6 1988-3 30 PM

to

INTERSTATE COMMERCE COMMISSION

Railcar Mortgage and Security Agreement dated

November 24, 1982

This First Amendment dated as of February 1, 1988 made by and between MLL Equipment Investors-I, a New York limited partnership (the "Grantor"), and Citibank, N.A. (the "Lender"),

W I T N E S S E T H:

WHEREAS, the Grantor and the Lender entered into a Railcar Mortgage and Security Agreement dated November 24, 1982, (the Railcar Mortgage and Security Agreement, referred to herein as the "Mortgage"), to secure, inter alia, amounts payable by the Grantor under certain Notes as defined in, and issued pursuant to, an Equipment Loan Agreement dated as of November 24, 1982 and all other indebtedness of the Grantor to the Lender; and

WHEREAS, the Lease of Railroad Equipment dated as of December 22, 1981 between North American Car Corporation and the Grantor has been terminated pursuant to an Order of United States Bankruptcy Court Central District of California dated June 14, 1985 attached hereto as Exhibit A; and

WHEREAS, the Grantor has entered into a Management Agreement with United States Rail Services, Inc. dated August 12, 1985; and

WHEREAS, road initials and numbers on certain Collateral (as defined in the Mortgage) have changed; and

WHEREAS, certain Collateral (as defined in the Mortgage) has been destroyed; and

WHEREAS, to continue the Lender's security interest in the Collateral (as defined in the Mortgage), and to make further changes to the Mortgage, the parties wish to enter into this First Amendment to the Mortgage,

NOW, THEREFORE, in consideration of the premises, the parties hereto agree as follows:

SECTION 1. Amendment.

Section 1 of the Mortgage is hereby amended in full to read as follows:

"1. For good and sufficient value received, the Grantor hereby pledges, mortgages, assigns, transfers and grants a security interest in the following collateral (the "Collateral") to the Lender to wit:

I. Two hundred thirty (230) 55'-3" 4750 cubic foot, 100 ton, welded, Tripple Hopper, Center Sill, Trough Hatch, Covered Hopper Cars (the "Railcars"), manufactured by Ingalls Industrial Products Division of Litton Industries, Inc., (i) AAR Mechanical Designation LO; (ii) A.A.R. Car Type Code L153; (iii) Road Initials and Numbers RUSX 5301-5326, RUSX 5377-5382, RUSX 5327-5376, RUSX 5384-5419, RUSX 5421-5422, RUSX 5424-5438, RUSX 5440-5450, RUSX 5451-5486, RUSX 5488-5506, RUSX 5507-5528, RUSX 5383, RUSX 5420, RUSX 5423, RUSX 5487, RUSX 5529-5531 (all inclusive); and (iv) as it is intended that these Railcars will be subjected to a mortgage, all are legended to the following effect: "OWNERSHIP SUBJECT TO A SECURITY AGREEMENT FILED WITH THE INTERSTATE COMMERCE COMMISSION."

II. All of the Grantor's right, title and interest in, to and under any leases and agreements, including the Management Agreement, by and between the Grantor and United States Rail Services, Inc. dated August 12, 1985, covering the aforesaid Railcars (all such leases and agreements being hereinafter referred to as the "Leases"), to which the aforesaid Railcars may now or hereafter be subject, including, without limitation:

a. the immediate and continuing right to receive all rents, payments and indemnities under the Leases;

b. upon a lessee's failure to make any payment or perform any required act under any Lease the right to make such payment or perform such act;

c. the right to declare an event of default or default under any Lease; and

d. the right to take such action upon the occurrence of an event of default or default under any Lease or an event which with notice or lapse of time or both would become an event of default or default under any Lease, including the commencement, conduct and consummation of

legal, administrative or other proceedings as shall be permitted by any Lease or by law, and to do any and all other things whatsoever that the Grantor is or may be entitled to under the Lease upon such occurrence."

SECTION 2. Consent. The Grantor consents to the filing of this First Amendment to the Mortgage with the Interstate Commerce Commission pursuant to the provisions of 49 U.S.C.A. Section 11303 (1979) (formerly Section 20c of the Interstate Commerce Act).

SECTION 3. Reference to and effect on Mortgage. Except as amended hereby, the Mortgage shall remain in full force and effect.

SECTION 4. Headings. Section headings in this First Amendment are included herein for convenience of reference only and shall not constitute a part of this First Amendment for any other purpose.

IN WITNESS WHEREOF, the parties hereto have each caused this First Amendment to be duly executed on their behalf as of the day and year first above set forth.

MLL EQUIPMENT INVESTORS - I
by ML Leasing Partners, Inc.

By: ML Leasing Partners, Inc.
Name: Carolyn G. Hubach
Title: Treasurer

CITIBANK, N.A.

By: _____
Name: Ronald M. Patmore
Title: Vice President

STATE OF NEW YORK

COUNTY OF

New York

SS.:

On this 17th day of ^{March}~~February~~, 1988, before me personally appeared Carolyn G. Habsch, to me known to be a Treasurer of ML Leasing Partners, Inc., the general partner of MLL Equipment Investors-I (a party to this agreement), who executed the foregoing instrument, who by me duly sworn said that said instrument was signed on behalf of said corporation in its capacity as general partner by authority of its board of directors, and he acknowledged that he executed said instrument as his free act and deed.

IN TESTIMONY WHEREOF, witness my hand and notarial seal.

SUSAN D. LEWIS
Notary Public, State of New York
No. 31-4749987
Qualified in New York County
Commission Expires March 30, 1989
SLM

Susan D. Lewis
Notary Public

My Commission expires: June 30, 1989

STATE OF NEW YORK

COUNTY OF

Westchester

SS.:

On this 30th day of ^{March}~~February~~, 1988, before me personally appeared Ronald M. Patwaude, to me personally known, who being by me duly sworn, says that he is a Vice President of Citibank, N.A., a national banking association, that the foregoing instrument was signed on behalf of said national banking association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.

IN TESTIMONY WHEREOF, witness my hand and notarial seal.

ROBERT R. GOLDBERG
Notary Public, State of New York
No. 4690571
Qualified in Westchester County
Commission Expires November 30, 1989

Robert R. Goldberg
Notary Public

My Commission expires: 11/30/89

KEVIN M. BRANDT, a Member of
LEVENE & EISENBERG,
a Professional Corporation
1900 Avenue of the Stars, Suite 1440
Los Angeles, California 90067
Telephone: (213) 551-1010
Attorneys for MLL EQUIPMENT INVESTORS-I
and

JACK GILLMAN
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2029 Century Park East, Suite 1800
Los Angeles, California 90067
Telephone: (213) 556-5800
Attorneys for EQUIFUND L.P.

FILED**JUN 14 1985**

U.S. BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
Deputy Clerk

JUN 17 1985

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA

In re

Case No. LA 84-23401-BR

NORTH AMERICAN CAR CORPORATION,
a Delaware corporation; TEXAS

Chapter 11

RAILWAY CAR CORPORATION, a
Delaware corporation; THE

(Jointly Administered)

BI-MODAL CORPORATION, a Con-
necticut corporation; ROADRAIL
TRANSPORTATION COMPANY, INC.,

ORDER REJECTING UNEXPIRED
LEASE FOR RAILCARS WITH MLL
EQUIPMENT INVESTORS-I AND
EQUIFUND L.P.

a Delaware corporation; TIGER
FINANCIAL SERVICES, INC., a
Delaware corporation; TIGER

Date: May 7, 1985

MARINE, INC., a Delaware
corporation; SURFACE TRANSPOR-
TATION INTERNATIONAL, INC., a

Time: 2:00 p.m.

Missouri corporation; SURFACE
TRANSPORTATION OF OHIO, INC.,

Place: Courtroom "A"

an Ohio corporation; S.T.I. OF
LOUISIANA, INC., a Louisiana
corporation; S.T.I. OF

WISCONSIN, INC., a Wisconsin
corporation; S.T.I. SPECIAL

SERVICES, INC., a Missouri cor-
poration; S.T.I.X. CAR LEASING

INCORPORATED, a Missouri corpora-
tion; S.T.I. OF KANSAS, INC.,

a Kansas corporation; P&R

RAIL CAR SERVICE CORP., a

Maryland corporation; and NORTH
AMERICAN CAR (CANADA) LIMITED,

an Ontario corporation,

Debtors.

1 AT LOS ANGELES, CALIFORNIA, IN THIS DISTRICT ON THE 7TH DAY
2 OF MAY, 1985.

3 There came before the undersigned Bankruptcy Judge the two
4 Applications of Debtors in Possession for Authority to Reject, as
5 Lessee, Unexpired Lease[s] For Railcars with MLL Equipment
6 Investors-I and Equifund L.P. At this hearing the Debtor was
7 represented by Messrs. Rosenbloom and Munitz and members of the
8 law firm of Nachman, Munitz & Zweig, Ltd. MLL Equipment
9 Investors-I was represented by Kevin M. Brandt, a Member of LEVENE
10 & EISENBERG, and Equifund L.P. was represented by Ronald L. Lebow,
11 a Member of, and Jack Gillman, an associate of, Stroock & Stroock
12 & Lavan.

13 The Court having considered the pleadings filed by GERSCO,
14 the Unsecured Creditors' Committee, the MCTA Banks, the Debtors,
15 MLL Equipment Investors-I, and Equifund, L.P., as well as all the
16 other pleadings on file in this matter, the arguments and rep-
17 resentations of counsel, and good cause appearing therefore, it is
18 hereby

19 ORDERED that the Leases between MLL Equipment Investors-I and
20 Equifund, L.P. with the Debtors are hereby rejected; and it is
21 further

22 ORDERED that the Debtors utilize, for MLL Equipment
23 Investors-I and Equifund L.P.'s benefit, sublease provisions
24 requiring third party users, to return MLL Equipment Investors-I's
25 and Equifund L.P.'s cars to points designated by each respective
26 party, provided that the Debtor need not exercise any sublease
27 provision if the exercise of such provision causes the Debtor to
28 incur additional financial expense; and it is further

1 ORDERED, that the Debtors cooperate and comply with all
2 government regulations and requirements governing transfer of
3 railcars.

4 DATED: *June 14*
~~MAY 30~~, 1985

6 BARRY RUSSELL
7 HONORABLE BARRY RUSSELL
UNITED STATES BANKRUPTCY JUDGE

8 PRESENTED BY:

9 MLL EQUIPMENT INVESTORS-I

10
11 By 

12 KEVIN M. BRANDT, a Member of
13 LEVENE & EISENBERG,
a Professional Corporation
Attorneys for MLL EQUIPMENT
14 INVESTORS-I

15 EQUIFUND L.P.

16
17 By 

18 JACK GILLMAN, an Associate
of STROOCK & STROOCK &
19 LAVAN
Attorneys for EQUIFUND, L.P.